

# MBTA CAPITAL INVESTMENT PROGRAM

December 15, 2011



## Profile of the MBTA

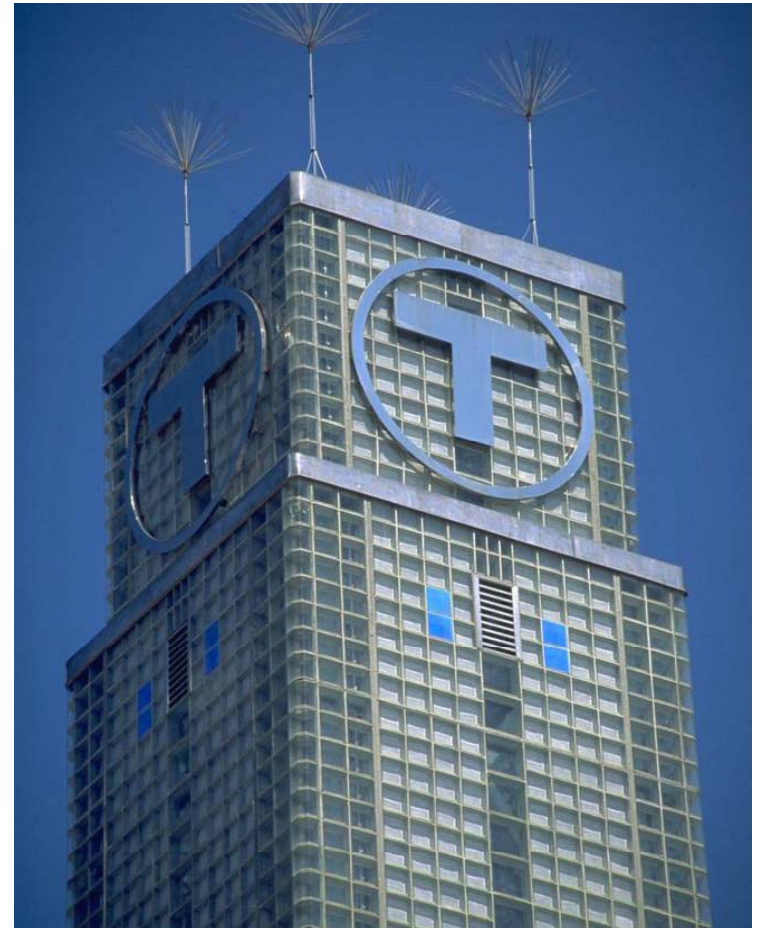


- Fifth largest transit agency in America
- 4.5 million people in 175 communities served
- 1.3 million trips a day
- Bus, subway, bus rapid transit, commuter rail, trackless trolleys, ferries, paratransit service (THE RIDE)

# Providing transportation services to the Boston metro area is a large and expensive operation

## More facts about the MBTA

- Operating Budget: \$1.6 billion (FY 2010)
- Capital Budget: \$4 billion (Draft FY2013-FY2017)
- Largest land owner in Massachusetts
- The MBTA provides close to 50,000 parking spaces throughout its service area
- Largest single consumer of electricity in Massachusetts (435,000,000 kWh/year). Energy costs represent a significant component of the operating budget. In FY2011 the MBTA spent \$40 million in electricity and \$161 million in fuel



## What is the Capital Investment Program (CIP)?



- Rolling 5-year capital program
- Implements the 25-year Program for Mass Transportation
- The CIP is financially constrained
- It focuses on State of Good Repair Projects



## What does the Capital Program Invest in?



Over 2,500 Revenue Vehicles



258 Stations



800 Miles of Track



476 Bridges



21 Miles of Tunnels



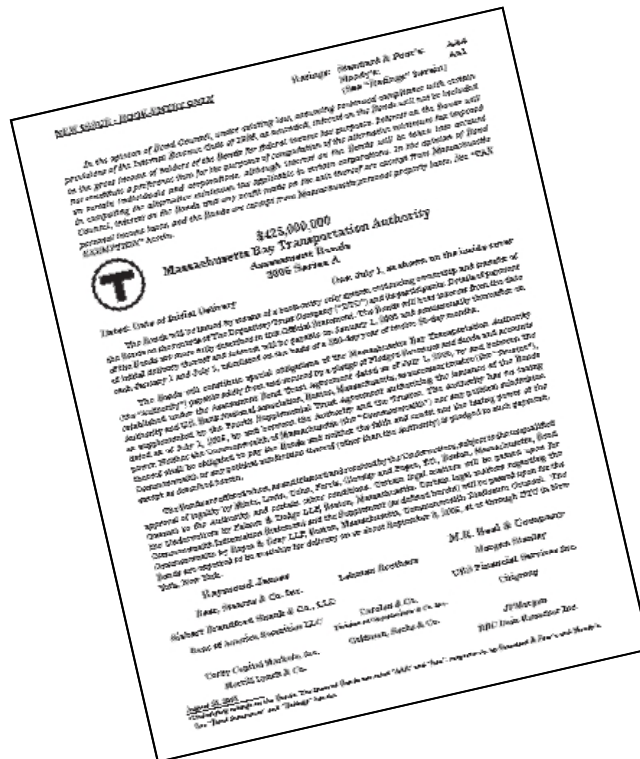
19 Maintenance Shops

**The MBTA's infrastructure is extensive and has major capital needs.**

# How is the CIP Funded?



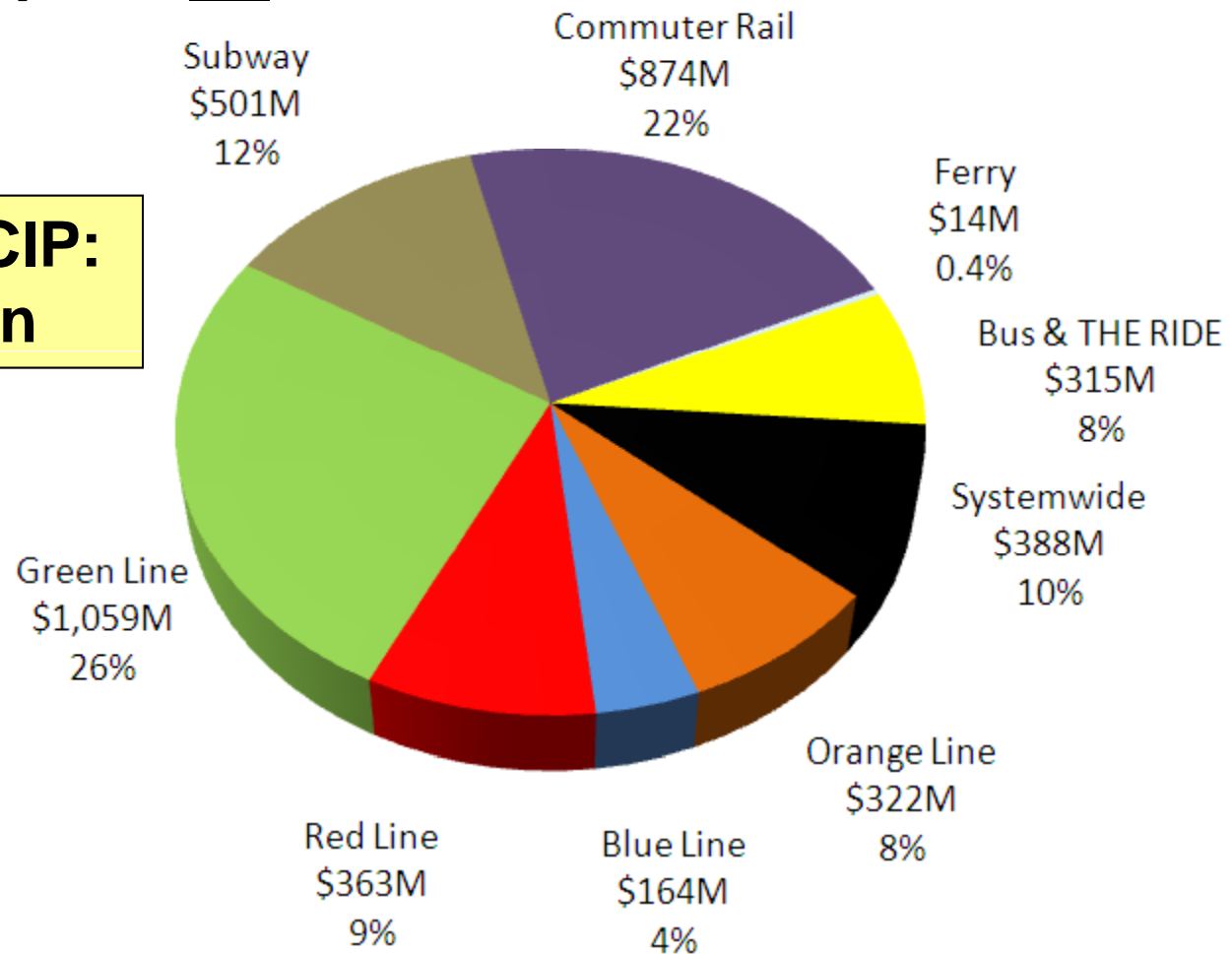
## SAFETEA-LU



- Federal Grants
- Non-Federal
  - Revenue Bonds
  - State funds
  - Pay-as-you-go
- Alternative Financing
  - Project Financing
  - Grant Anticipation Notes

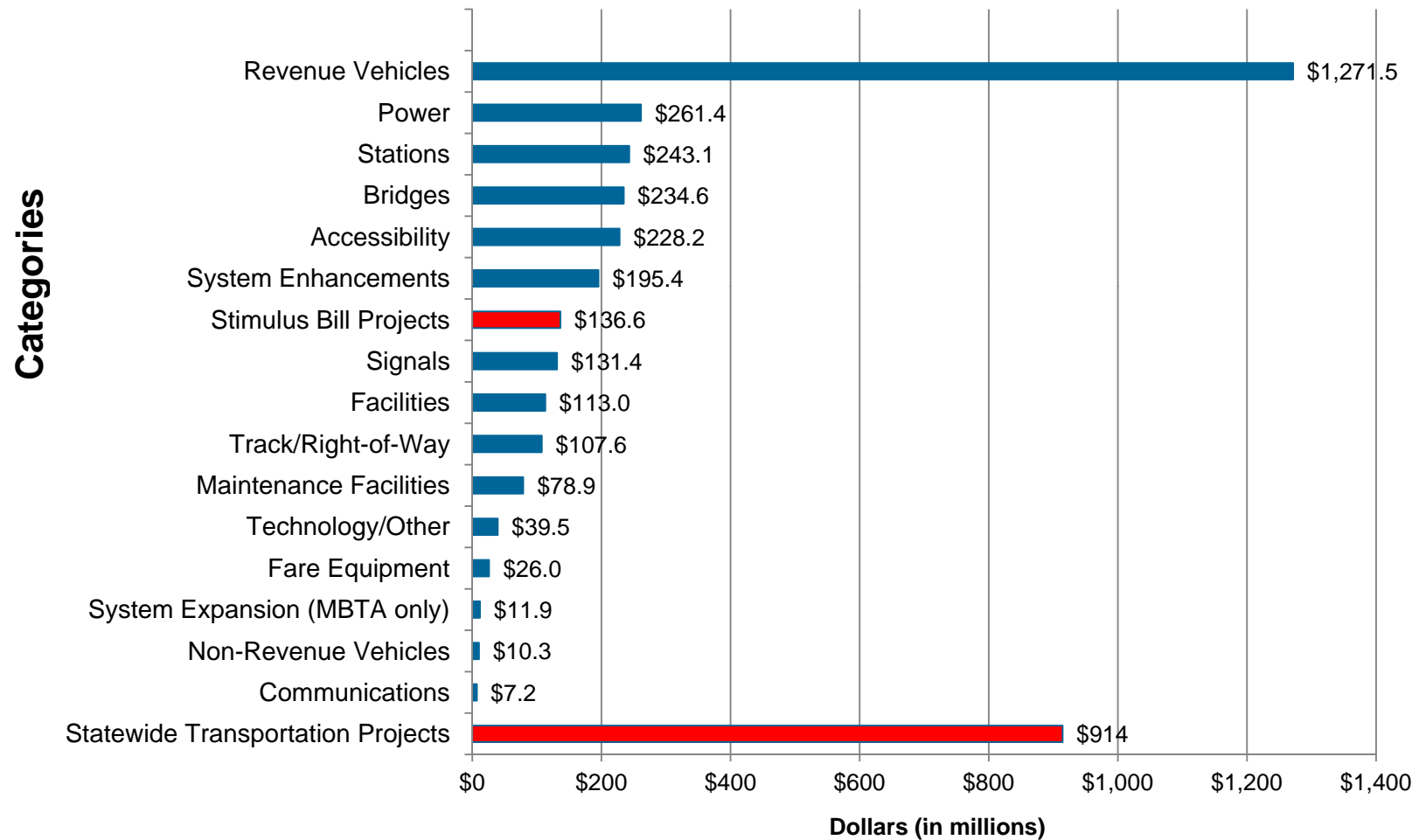
## The CIP\* Supports All Modes

**Total Draft CIP:  
\$4.0 billion**



\* Draft FY13-FY17 CIP

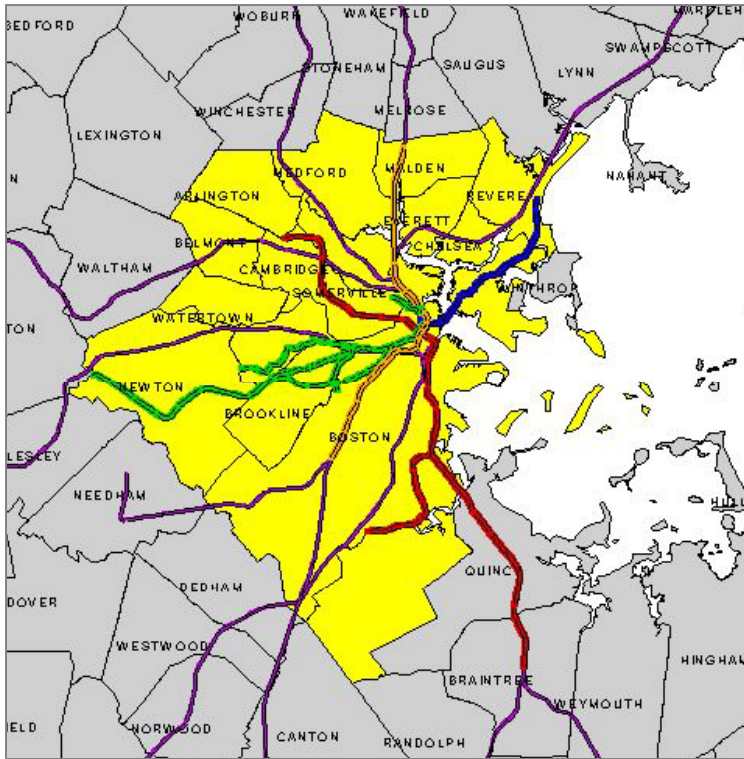
## Capital Program\* Categories by Level of Investment



\* Draft FY13-FY17 CIP

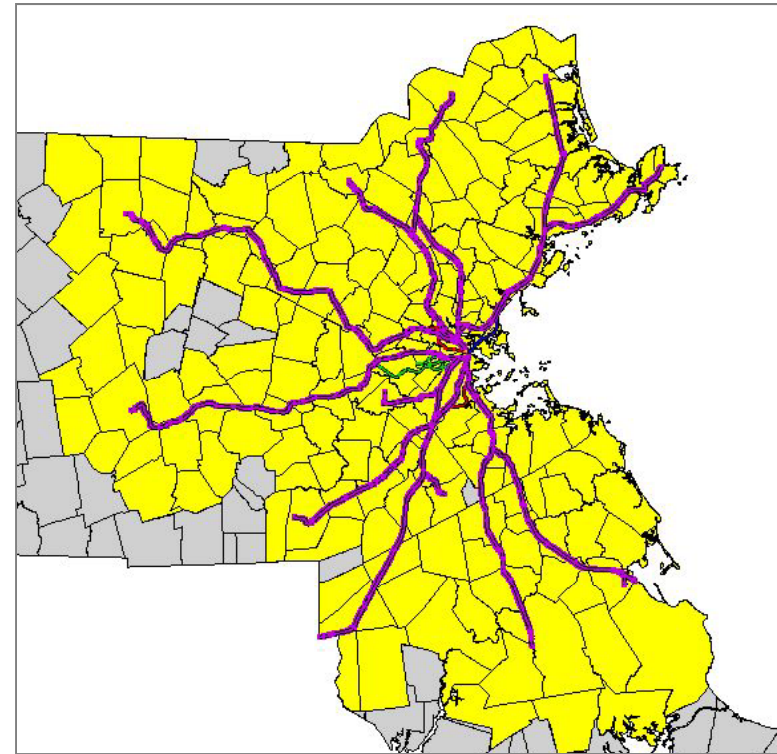


## Where Does the CIP Invest Funds?



Core Service Areas:  
Bus, Subway, Silver Line

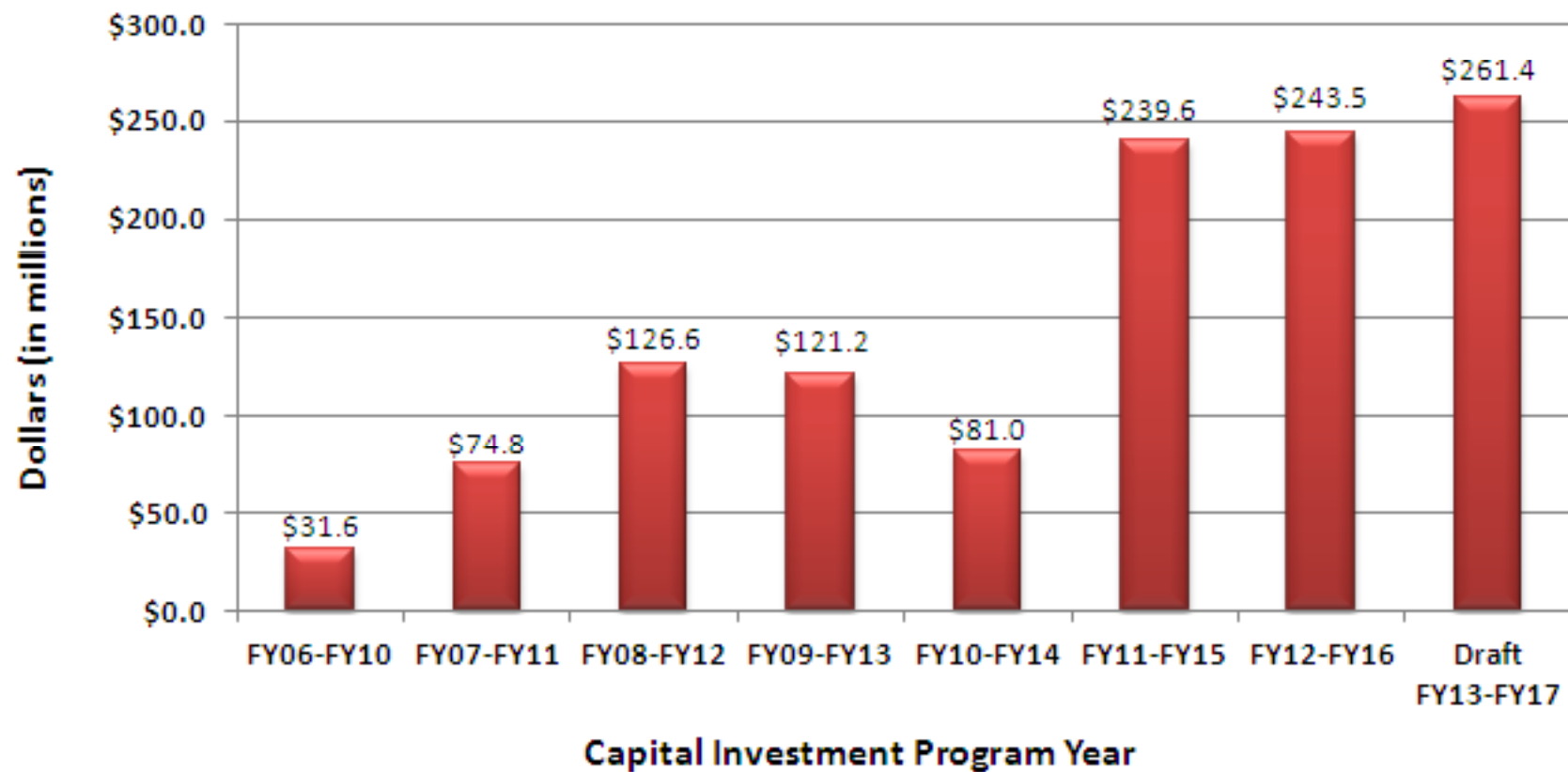
**75%**



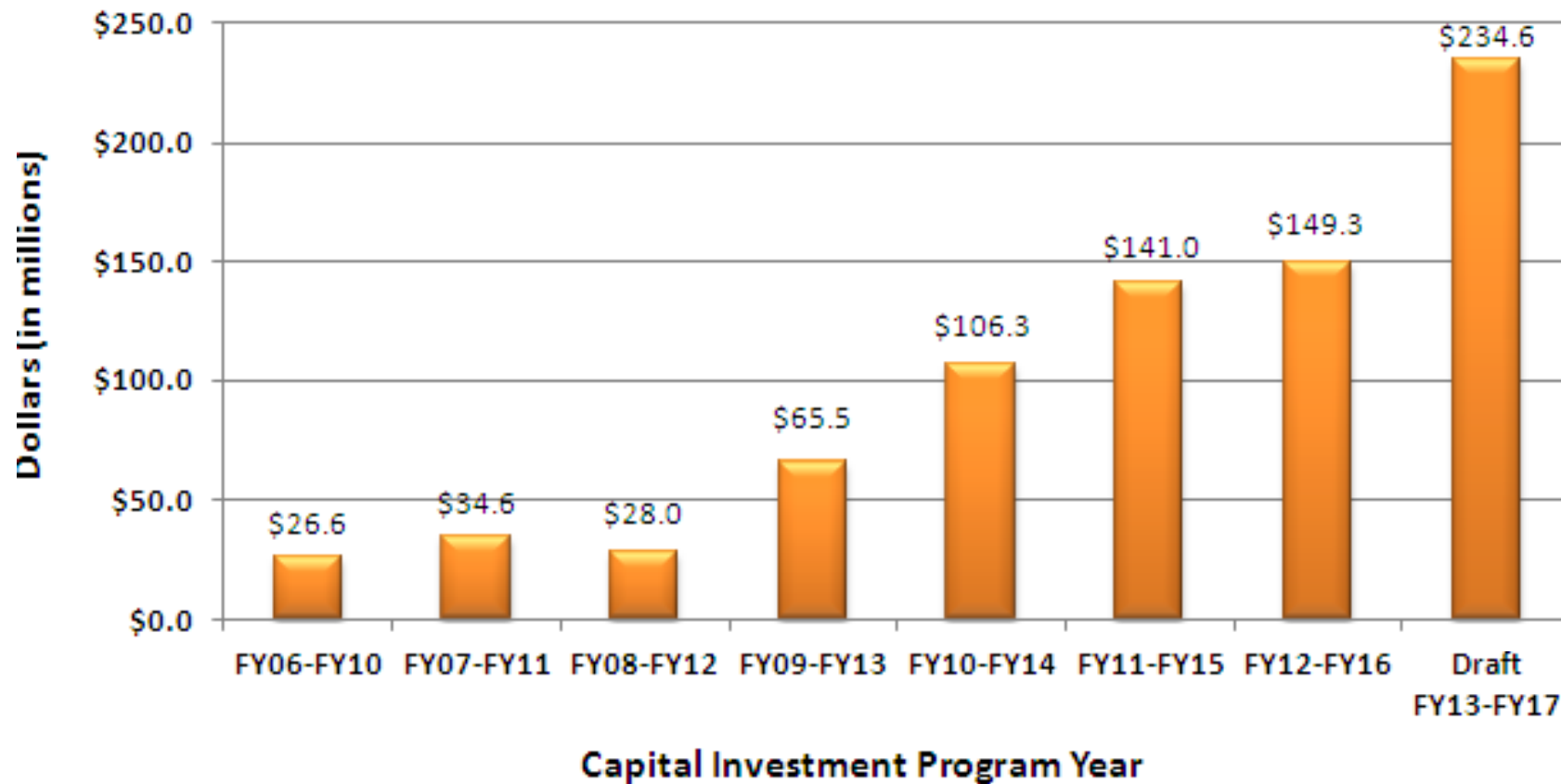
Suburban Service Areas:  
Commuter Rail

**25%**

## Programmed Investment for Power Projects



## Programmed Investment for Bridges

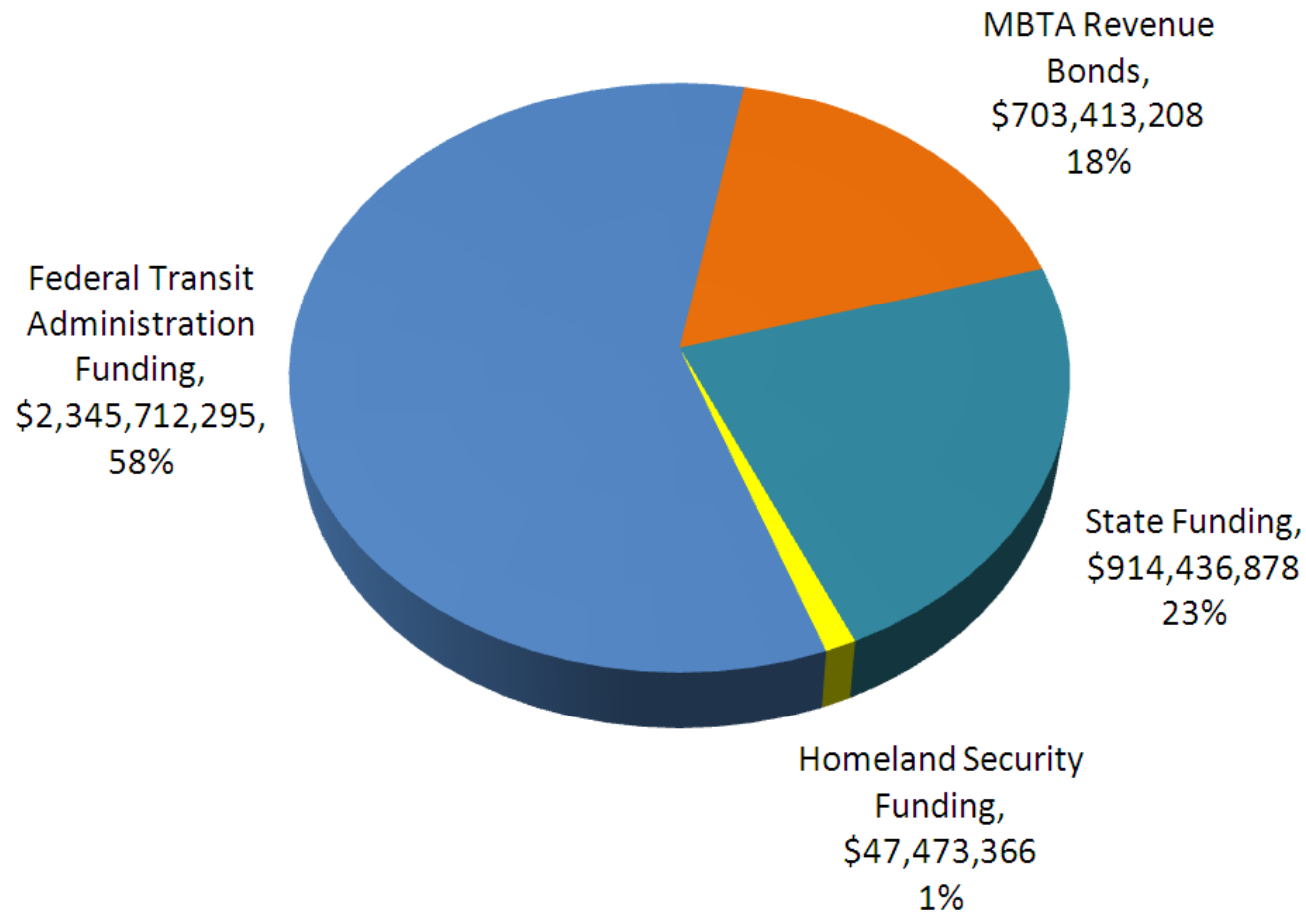


# MBTA Capital Program Selection Criteria

Criteria	Health & Environment	State of Good Repair	Impact to Operations	Cost/Benefit	Legal Commitment
Weight	20%	20%	20%	20%	20%

- Every year the *Capital Budget Group* reviews over 300 requests for capital funding worth about \$5 billion
- In the last three years new funding has been provided to the capital program by an average of \$300 million per year
- New funding for the current fiscal year will surpass \$1 billion

## Where does the money for the CIP\* come from?



**\* Draft FY13-FY17 CIP**

## Federal Urban Formula Program – Annual Funding

Formula Program	Federal Contribution	MBTA Match	Formula Program Totals
	80%	20%	100%
Section 5307 (all transit)	\$133,012,172	\$33,253,043	\$166,265,215
Section 5309 (rail)	\$93,981,902	\$23,495,476	\$117,477,378
Grand Totals	\$226,994,074	\$56,748,519	\$283,742,593



## Federal Formula Program Funding Cut Scenarios

Based on current Federal funding levels the MBTA expects to raise \$284 million annually. This is equivalent to \$1.4 billion for FY2013-2017

Cuts to the Federal Formula Program Scenarios	Annual Formula Totals	Annual reductions from current funding levels	Reduction over the FY13-FY17 period
No cut	\$283,742,593	\$0	\$0
If cut by 10%	\$255,368,333	\$28,374,259	\$141,871,296
If cut by 20%	\$226,994,074	\$56,748,519	\$283,742,593
If cut by 30%	\$198,619,815	\$85,122,778	\$425,613,889



Courthouse Station



**Massachusetts Bay Transportation Authority**